

**STATE OF NEW HAMPSHIRE**  
**2014 RFP RRG-401-SR PH**  
**REQUEST FOR PROPOSALS**

**INTRODUCTION**

The New Hampshire Insurance Department (NHID) is requesting proposals for a Contractor to perform consulting services for the NHID.

Pursuant to NH RSA 420-G:14-a (data collection and public hearings concerning health insurance cost increases), the NHID seeks assistance with evaluating increases to New Hampshire health insurance rates and the underlying cost drivers, in conducting annual public hearings concerning premium rates in the health insurance market, and in drafting the Commissioner's annual report as required under RSA 420-G:14-a, V-VII.

Pursuant to RSA 400-A:36 and other provisions of Title XXXVII, the Insurance Commissioner has the authority to prescribe the format and content of financial and other reports filed by licensed insurers in New Hampshire. The reports submitted by licensed carriers and other entities are required to evaluate the financial solvency of carriers operating in New Hampshire as well as to understand the characteristics of New Hampshire's insurance markets. The NHID seeks a Contractor to assist in updating the reporting instructions, evaluating and processing the supplemental report submissions, consolidating the data, and producing the supplemental report for publication.

Pursuant to the NHID premium rate review grants, The NHID seeks assistance in developing a strategic plan for the NHID data collection efforts that pertain to health policy.

This arrangement will continue through December 31, 2017 subject to legislative approval of state budgets.

**GENERAL INFORMATION/INSTRUCTIONS**

Electronic proposals will be received until 4 pm local time, on December 1, 2014, at the New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord, New Hampshire, 03301. Emails should be sent to [alain.couture@ins.nh.gov](mailto:alain.couture@ins.nh.gov) and include in the subject line: RFP for Health Policy Services.

Proposals should be prepared simply and economically, providing a straightforward, concise description of bidder capabilities that satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.

A successful proposal must include all of the objectives outlined in this RFP. The overall project includes three separate components, with two separate budgets. The budgets are not to exceed amounts, and will be included in the contract with the winning bidder. Actual payment amounts will be based on the per hour rate for staff assigned to the project and the actual billable hours, as approved by the NHID.

### Annual Hearing and Report

The Contractor shall assist the NHID with virtually any task associated with producing the annual hearing, including but not limited to: designing and administering a carrier data call, performing quality assurance testing of submitted data and confirming findings with the carriers, report writing and analyses, communicating with carriers and non-carrier participants in preparation for the hearing, developing questions to be asked of participants, facilitating organizational meetings, general project management, assisting with potential enforcement actions, presenting findings to the NHID and at the public hearing, and providing recommendations related to the format and structure of the hearing.

Contractor shall be responsible for determining what factors are contributing to, and to what degree, to the cost increases affecting premiums. The Contractor shall use available information from the NHID rate filings, the Supplemental Health Care Exhibit, annual statements, NHID supplemental report filings, New Hampshire Comprehensive Health Information System (NHCHIS: <https://nhchis.com/>) claims data, national sources, and other available information including one or more data calls per year, issued by the NHID.

In preparation for public hearings, the Contractor shall determine what documents and information carriers need to produce as necessary and relevant to evaluate the factors that contribute to cost growth in health care services, changes in utilization, and health care and health insurance premium costs.

The Contractor shall draft the NHID required annual report concerning premium rates in the health insurance market and the factors that have contributed to rate increases during the prior year. Since this report is required annually, the Contractor will produce three annual hearing reports during the timeframe of the contract. The report shall include strategies for increasing the efficiency of NH's health care financing and delivery system, as well as all statutory requirements:

RSA 420-G:14-a VI. (a) The commissioner shall prepare an annual report concerning premium rates in the health insurance market and the factors that have contributed to rate increases during prior years. The annual report shall be designed to provide information which identifies and quantifies health care spending trends and the underlying factors that contributed to increases in health insurance premiums. The report shall include recommendations and strategies for increasing the efficiency of New Hampshire's health care financing and delivery system. The report shall be based to the highest extent possible on the commissioner's analysis of information and data available to the commissioner, including:

- (1) Information and analysis of the amount and impact of uncompensated care.
- (2) Past and current medical loss ratios of insurance carriers in New Hampshire.
- (3) Comparison and analysis of the cost of medical care by payment type.
- (4) Information and analysis of total public reimbursements to hospitals and other health care providers by federal, state, and local governments.
- (5) Information and analysis of insurance premiums by provider network.

(6) Information and analysis of plan and premium information on the Federal Employee Plan and National Account offered by Anthem Blue Cross Blue Shield.

(7) Comparison and analysis to insurance claim data collected by other states.

(8) Testimony at the public hearing, and any other information or documents submitted in connection with the public hearing.

(b) The commissioner shall submit the annual report to the governor, the president of the senate, and the speaker of the House of Representatives on or before November 1 of each year.

VII. In conjunction with the annual public hearing required under paragraph V and the report and recommendations required under paragraph VI, the commissioner shall consider any pertinent work of other legislative commissions and inquires focused on related matters.

To a limited extent, the NHID will assist the Contractor with obtaining data on health care costs outside of New Hampshire, or uncompensated care within New Hampshire, including submitting necessary requests and paying fees associated with data files. The Contractor is expected to assist the NHID in this process with any tasks the Contractor can perform independently.

The report produced for the NHID based on the 2014 public hearing is here:

[http://www.nh.gov/insurance/reports/documents/gorman\\_rpt\\_2014.pdf](http://www.nh.gov/insurance/reports/documents/gorman_rpt_2014.pdf)

The public hearings taking place annually in the fall of 2015, 2016, and 2017, in Concord, NH. The Contractor must collect any data necessary for analyses or the report, during the months preceding the hearing. A preliminary report for public consumption should be produced at least a week before the hearing, and the final report within two weeks after the hearing. Data submitted to the contractor by carriers must be consolidated and provided to the NHID.

### Supplemental Report

The NHID receives supplemental report data submissions by carriers and third party administrators (TPAs) by July 15 unless extensions are granted. The data are currently submitted using an Excel template and according to the specifications outlined in a department bulletin. The current bulletin, submission templates, and prior reports are available here:

<http://www.nh.gov/insurance/lah/supplemental.htm>

Contractor shall be responsible for revising the bulletin and template to make the most effective use of actuarial tools available to states and recommended improvements to the data collection model, performing a series of data quality checks and working with carriers and TPAs to answer data submission related questions or issues, consolidating the submissions into a single data file with any inconsistencies in the data addressed so that the files can be analyzed by the NHID on an ad hoc basis, and producing the supplemental report that is required by the NHID on an annual basis. During the term of this contract, three supplemental reports will be produced by the Contractor. The Contractor should anticipate a substantial amount of communication with each carrier or TPA to ensure that the data reporting requirements have been met and that the NHID has received accurate and complete data submissions. All improvements or changes to the bulletin and template are the responsibility of the Contractor, and subject to NHID approval.

The Contractor will be acting on behalf of the NHID and shall recommend enforcement actions when submissions are non-compliant, overdue, or contain errors. The data shall be submitted to the NHID in either SAS or text file format.

Contractor shall produce a supplemental report, consistent with the format and layout of the prior version, with potential enhancements upon approval by the NHID. Upon releasing the report, the NHID shall host a public forum in Concord, NH, and the Contractor is responsible annually presenting findings from the supplemental report.

### Strategic Plan for the NHID Data Collection Efforts

In performing the tasks associated with the annual hearing and the supplemental report, the Contractor is ideally suited to make recommendations for improving data submission requirements that support health policy information needs at the NHID. Most health policy information used by the NHID is extracted from the supplemental report submissions, data submitted in preparation for the hearing, and the NHCHIS. Other data sources exist at the NHID, and should be considered by the Contractor as well. In developing a strategic plan, the Contractor shall make recommendations to the NHID for a more efficient and complete data collection processes. The strategic plan shall include preliminary recommendations in the mid-term report by December 31, 2015, and final recommendations in the final report by September 30 of 2016. The objectives of the strategic plan include:

- Reducing the overall reporting burden for carriers and TPAs when possible
- Improving the accuracy, completeness, timeliness, and compliance of data submitted to the NHID (potentially other sources)
- Establishing a fair and effective enforcement process to obtain these objectives.

The NHID commissioned a report titled “Analysis of Data Sources to Support Rate Review” and the contractor should make use of this as a resource in developing the strategic plan. The report can be found here: <http://www.nh.gov/insurance/reports/documents/compass-haofda.pdf>.

The Contractor is responsible for presenting to the public at a location in Concord, NH, the findings of the strategic plan analyses, prior to release of the preliminary report and the final report. The presentations will take place prior to the release of the report so that the Contractor can consider any feedback provided by the carriers and members of the public.

### Budgets

A portion of tasks included under the contract are covered by federal Premium Rate Review grant funds. Those tasks include: changes to the supplemental report bulletin and template, development of data submission instructions and potential reporting template in preparation for the annual hearing, and development of the data collection strategic plan. All work performed under the grant related activities must be complete and invoiced by September 30, 2016. The NHID expects no further changes to the supplemental report bulletin and the hearing reporting template in 2017, unless those changes are maintenance related, and will be covered under the

non-grant budget. The Contractor shall be required to invoice the NHID separately for grant related tasks.

Total budget for grant related activities: \$200,000

The remaining activities are those unrelated to the development work and are to be used to cover operational expenses related to receiving data, analyses, conducting the hearing, producing reports, general maintenance, and managing the processes involved.

Total budget for remaining activities: \$200,000.

The total not to exceed amount for the contract, for services through December 31, 2017 is \$400,000.

Evaluation of the submitted proposals will be accomplished as follows:

- (A) General. An evaluation team will judge the merit of proposals according to the general criteria defined herein.

Officials responsible for the selection of a Contractor shall insure that the selection process accords equal opportunity and appropriate consideration to all who are capable of meeting the specifications.

Failure of the applicant to provide in its proposal all information requested in the Request for Proposal may result in disqualification of the proposal.

- (B) Specific. A comparative scoring process will measure the degree to which each proposal meets the following criteria:

- (1) Specific skills needed for evaluating administrative loads, carrier profits, and the factors that contribute to health insurance premium increases; and the ability of the vendor to evaluate the growth in rate filing components and data from various sources. Experience and demonstrated skills with health care administrative data, health insurance carrier/TPA claims processing systems, data consolidation services, and health insurance. Skills consistent with producing a report for public consumption and making information related to the rate review process and cost drivers understandable to the public. The Contractor must specify skills appropriate to managing global data collection efforts by the NHID in the relevant areas to support of health policy. The proposal must include a listing of references for recent engagements by the vendor that reflect the skills appropriate for work on this project, including telephone numbers and specific persons to contact.

25 percent

- (2) General qualifications and related experience of the vendor. Knowledge of New Hampshire insurance markets, the ACA, insurance laws, health care markets and

health care financing and delivery system demonstrated through experience. Knowledge of emerging insurance laws and insurance regulations, demonstrated through formal actuarial training and experience commensurate with several years participation on professional committees, legislative committees, and performing analyses similar to the requirements listed in this RFP. Examples of experience relevant to large scale data collection efforts for the purpose of informing health policy should include successful efforts to similarly develop efficient data collection strategies for other state departments, health insurance carriers, or large health care providers. Good communication skills and demonstrated ability to work with both industry and regulatory personnel and the public to achieve appropriate and adequate insurance industry regulation and transparency in New Hampshire. Industry experience is preferred. The proposal must include a summary of experience, including a current resume for each individual expected to perform work under the proposal.

25 percent

- (3) Project plan, timeframe and deliverables. The proposal must provide a project plan and specify a timeframe in which the entity commits to project deliverables as they are developed. The proposal should be specific about the steps that will be taken by the vendor and reflect the requirements stated in this RFP.

20 percent

- (4) Derivation of cost and staff time. The proposal should include the hourly or daily rate for individuals, and an estimate of the amount of time each person would be expected to expend on the project. The response required shall be sufficiently detailed to create a general expectation of the likelihood the project will be completed efficiently and with adequate staff commitments and expertise. Since overall cost is fixed in the RFP, the NHID review team will consider the effectiveness of the staff assigned and the contribution each staff member is anticipated to make to the projects. Bidders are encouraged to break down staff and associated time by each segment of the project: annual hearing, supplemental report, and strategic plan.

30 percent

- (C) Conflict of Interest. The applicant shall disclose any actual or potential conflicts of interest.

- (D) Other Information. The New Hampshire Insurance Department will accept written questions related to this RFP from prospective bidders with the deadline being November 19, 2014. Questions should be directed to Al Couture via email: [alain.couture@ins.nh.gov](mailto:alain.couture@ins.nh.gov)

A consolidated written response to all questions will be posted on the New Hampshire Insurance Department's website: [www.nh.gov/insurance](http://www.nh.gov/insurance), by November 21, 2014.

Potential contractors may be interviewed by staff of the NHID.

The successful bidder or bidders will be required to execute a state of New Hampshire Contract. A form P-37 contains the general conditions as required by state of New Hampshire purchasing policies and the Department of Administrative Services. Although this standard contract can be modified slightly by mutual agreement between the successful bidder and the New Hampshire Insurance Department, all bidders are expected to accept the terms as presented in this RFP. Any required modifications to the P-37 must be explicitly stated in the proposal.

All proposals will be publicly opened at the above stated date and time. Proposals received after the above date and time will not be considered. The state reserves the right to reject any or all proposals.

The NHID plans to seek Governor and Council approval of the contract on December 23. This will allow less than a week for the NHID to obtain all necessary documentation for state contracts from the winning bidder, taking place between December 4<sup>th</sup> and December 9<sup>th</sup>.

Bidders should be aware that New Hampshire's transparency law, RSA 9-F, requires that state contracts entered into as a result of requests for proposal such as this be accessible to the public online. Caution should be used when submitting a response so that trade secrets, social security numbers, home addresses and other personal information are not included.